GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4465
ANSWERED ON:12.08.2016
Railway Cooperative Banks
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Will the Minister of FINANCE be pleased to state:

(a) the details of the cooperative banks/ societies set up by the Railways in the country, State-wise;

(b) the role of the Railways in the operation of the Railway Employees Cooperative Banks; and

(c) the details of selection process for the chief executive officer and other senior officers of the railway employees cooperative banks?

Answer

The Minister of State in the Ministry of Finance

(a): The State-wise details of the multi-state cooperative banks/societies of the railway employees are given in Annex.

(b): The Ministry of Railways has reported that the employees of such cooperative societies are engaged by the societies themselves and the Railway administration has no jurisdiction over the administrative, financial, managerial and service matters of the employees of these societies as also their day-to-day working or any other matter of these societies, as they are governed by the Rules framed under the Multi State Cooperative Societies (MSCS) Act, 2002.

(c): As per sub-Section (1) of Section 51 of the MSCS Act, 2002, the Chief Executive is appointed by the Board of the Society/bank. Under sub-Section (3) of Section 51, where the Central Government or the State Government holds fifty-one percent or more of the equity share capital or of total shares of the multi state co-operative society, the salary and allowances payable to and other terms and conditions of service including pension, gratuity and other retirement benefits of the Chief Executive shall be such as may be prescribed. Under Section 49{2(e)} of the MSCS Act, 2002, power to make provision for regulating the appointment of employees of the multi-state cooperative society and the scale of pay, allowances and other conditions of service lies within the powers and functions of the Board.